

Message Text

CONFIDENTIAL

PAGE 01 HONG K 09975 090829Z

12

ACTION EUR-25

INFO OCT-01 EA-11 ISO-00 CIAE-00 PM-07 INR-11 L-03 ACDA-19

NSAE-00 PA-04 RSC-01 PRS-01 SP-03 USIA-15 TRSE-00

SAJ-01 SS-20 NSC-07 EB-11 COME-00 FRB-03 NIC-01 DRC-01

/145 W

----- 070018

R 090642Z SEP 74

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 2132

INFO USMISSION NATO

USLO PEKING

C O N F I D E N T I A L HONG KONG 9975

E.O. 11652: GDS

TAGS: ECON CH NATO

SUBJ: ECONADS: REPORT ON ECONOMY OF THE PRC

REF: A) USNATO 4813 B) HK A-96 C) HK A-130 D) PEKING 1540

1. THESE ARE COMMENTS ON THE FRG APPROACH TO PRC INDEBTNESS IN
REF . A.

2. PRC INDEBTNESS IS BROADER THAN MEDIUM-TERM DEFERRED CREDITS.
IN REF B) IT WAS ESTIMATE THAT DEBT OF ALL TYPES INCLUDING
SHORT -TERM WAS APPROXIMATELY \$1.6 BILLION AS OF 3/31/74.

3. MEDIUM-TERM SUPPLIER CREDIT WAS ESTIMATED AT \$758 MILLION ON THE
SAME DATE, AFTER DEDUCTING 20 PERCENT OF THE CONTRACTED
AMOUNT FOR DOWNPAYMENTS.

COMPARABLE CALCULATION FOR 6/30/74 WOULD BE \$939

MILLION. THESE ESTIMATES ASSUME THAT NO SCHEDULED REPAYMENT OF
PRINCIPAL HAS YET TAKEN PLACE. WORKING ASSUMPTION IS THAT AMORTI-
ZATION OF PRINCIPAL DOES NOT BEGIN UNTIL ALL EQUIPMENT HAS BEEN
IMPORTED. FRG, ON OTHER HAND APPEARS TO ASSUME THAT AMORTIZATION
BEGINS ALMOST IMMEDIATELY. WE WOULD BE MOST SKEPTICAL THAT

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HONG K 09975 090829Z

SERVICE PAYMENTS LISTED IN REF. A FOR 1972-74 TOOK PLACE.

CROSS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, ECONOMIC REPORTS, GOVERNMENT DEBTS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974HONGK09975
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740249-0966
From: HONG KONG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740964/aaaaccgb.tel
Line Count: 62
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: A) USNATO 4813 B) HK A-96 C) HK A-13, 0 D) PEKING 1540
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 25 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25-Jul-2001 by reddocgw>; APPROVED <08-Oct-2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ECONADS: REPORT ON ECONOMY OF THE PRC
TAGS: ECON, CH, NATO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005